

REFERENCE TITLE: insurance; use of credit information

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

# HB 2160

Introduced by  
Representative Carpenter

AN ACT

AMENDING SECTIONS 20-2102 AND 20-2110, ARIZONA REVISED STATUTES; AMENDING TITLE 20, CHAPTER 11, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 20-2123 THROUGH 20-2126; RELATING TO USE OF CREDIT INFORMATION BY INSURANCE INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section. 1. Section 20-2102, Arizona Revised Statutes, is amended to  
3 read:

4 20-2102. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Adverse underwriting decision" means any of the following actions  
7 involving insurance coverage which is individually underwritten:

8 (a) A declination of insurance coverage.

9 (b) A termination of insurance coverage.

10 (c) Failure of an insurance producer to apply for insurance coverage  
11 with a specific insurance institution which the insurance producer represents  
12 and which is requested by an applicant.

13 (d) In the case of property or casualty insurance coverage, placement  
14 by an insurance institution or insurance producer of a risk with a residual  
15 market mechanism, an unauthorized insurer or an insurance institution which  
16 specializes in substandard risks, or the charging of a higher rate on the  
17 basis of information which differs from that which the applicant or  
18 policyholder furnished.

19 (e) In the case of life, health or disability insurance coverage, an  
20 offer to insure at higher than standard rates.

21 (f) In the case of property or casualty insurance, assigning an  
22 applicant or policyholder to a higher rating tier or failing to apply a  
23 premium discount or credit based on any credit related information derived  
24 from the applicant's or policyholder's consumer report, insurance score or  
25 lack of credit history.

26 Notwithstanding subdivisions (a) through (f) of this paragraph, the  
27 termination of an individual policy form on a class or statewide basis, a  
28 declination of insurance coverage solely because the coverage is not  
29 available on a class or statewide basis or the rescission of a policy is not  
30 considered an adverse underwriting decision, but the insurance institution or  
31 insurance producer responsible for its occurrence shall provide the applicant  
32 or policyholder with the specific reasons for its occurrence.

33 2. "Affiliate" or "affiliated" means a person that directly or  
34 indirectly through one or more intermediaries controls, is controlled by or  
35 is under common control with another person.

36 3. "Applicant" means any person who seeks to contract for insurance  
37 coverage other than a person seeking group insurance that is not individually  
38 underwritten.

39 4. "Consumer report" means any written, oral or other communication of  
40 information bearing on a natural person's creditworthiness, credit standing,  
41 credit capacity, character, general reputation, personal characteristics or  
42 mode of living and which is used or expected to be used in connection with an  
43 insurance transaction.

44 5. "Consumer reporting agency" means any person who does any of the  
45 following:

1 (a) Regularly engages, in whole or in part, in the practice of  
2 assembling or preparing consumer reports for a monetary fee.

3 (b) Obtains information primarily from sources other than insurance  
4 institutions.

5 (c) Furnishes consumer reports to other persons.

6 6. "Control", including the terms "controlled by" or "under common  
7 control with", means the possession, direct or indirect, of the power to  
8 direct or cause the direction of the management and policies of a person,  
9 whether through the ownership of voting securities, by contract other than a  
10 commercial contract for goods or nonmanagement services, or otherwise, unless  
11 the power is the result of an official position with or corporate office held  
12 by the person.

13 7. "CREDIT INFORMATION" MEANS ANY CREDIT RELATED INFORMATION THAT IS  
14 DERIVED FROM A CONSUMER REPORT, FOUND ON A CONSUMER REPORT OR PROVIDED ON AN  
15 APPLICATION FOR PERSONAL INSURANCE. CREDIT INFORMATION DOES NOT INCLUDE  
16 INFORMATION THAT IS NOT CREDIT RELATED REGARDLESS OF WHETHER IT IS CONTAINED  
17 IN A CONSUMER REPORT OR AN APPLICATION OR IS USED TO CALCULATE AN INSURANCE  
18 SCORE.

19 ~~7.~~ 8. "Declination of insurance coverage" means a denial, in whole or  
20 in part, by an insurance institution or insurance producer of requested  
21 insurance coverage.

22 8. 9. "Individual" means any natural person who:

23 (a) In the case of property or casualty insurance, is a past, present  
24 or proposed named insured or certificate holder.

25 (b) In the case of life, health or disability insurance, is a past,  
26 present or proposed principal insured or certificate holder.

27 (c) Is a past, present or proposed policyowner.

28 (d) Is a past or present applicant.

29 (e) Is a past or present claimant.

30 (f) Derived, derives or is proposed to derive insurance coverage under  
31 an insurance policy or certificate subject to this chapter.

32 ~~9.~~ 10. "Institutional source" means any person or governmental entity  
33 that provides information about an individual to an insurance producer,  
34 insurance institution or insurance support organization, other than an  
35 insurance producer, the individual who is the subject of the information or a  
36 natural person acting in a personal capacity rather than in a business or  
37 professional capacity.

38 ~~10.~~ 11. "Insurance institution" means any corporation, association,  
39 partnership, reciprocal insurer, inter-insurer, Lloyd's association,  
40 fraternal benefit society or other person engaged in the business of  
41 insurance, including health care service organizations and hospital, medical,  
42 dental and optometric service corporations as defined in this title.  
43 Insurance institution does not include insurance producers or insurance  
44 support organizations.

~~11.~~ 12. "Insurance producer" means an insurance producer as defined in section 20-281 or a managing general agent as defined in section 20-311.

~~12.~~ 13. "Insurance score" means, for the purpose of insurance underwriting or rating, a designation that is derived by using a variety of data sources, including an individual's consumer report in an algorithm, computer program, model or other process that reduces the data to a number, alpha character or rating that is used for insurance underwriting and rating decisions.

~~13.~~ 14. "Insurance support organization" means:

(a) Any person who regularly engages, in whole or in part, in the practice of assembling or collecting information about natural persons for the primary purpose of providing the information to an insurance institution or insurance producer for insurance transactions, including the furnishing of consumer reports or investigative consumer reports to an insurance institution or insurance producer for use in connection with an insurance transaction or the collection of personal information from insurance institutions, insurance producers or other insurance support organizations for the purpose of detecting or preventing fraud, material misrepresentation or material nondisclosure in connection with insurance underwriting or insurance claim activity.

(b) Notwithstanding subdivision (a) of this paragraph the following persons are not considered insurance support organizations for purposes of this chapter:

- (i) Insurance producers.
- (ii) Government institutions.
- (iii) Insurance institutions.
- (iv) Medical care institutions.
- (v) Medical professionals.

~~14.~~ 15. "Insurance transaction" means any transaction involving insurance primarily for personal, family or household needs rather than business or professional needs and which entails the determination of an individual's eligibility for an insurance coverage, benefit or payment or the servicing of an insurance application, policy, contract or certificate.

~~15.~~ 16. "Investigative consumer report" means a consumer report or portion of a consumer report in which information about a natural person's character, general reputation, personal characteristics or mode of living is obtained through personal interviews with the person's neighbors, friends, associates, acquaintances or others who may have knowledge concerning those items of information.

~~16.~~ 17. "Medical care institution" means any facility or institution that is licensed to provide health care services to natural persons including:

- (a) Health care service organizations.
- (b) Home health agencies.
- (c) Hospitals.

- 1 (d) Medical clinics.
- 2 (e) Public health agencies.
- 3 (f) Rehabilitation agencies.
- 4 (g) Skilled nursing facilities.

5 ~~17-~~ 18. "Medical professional" means any person licensed or certified  
 6 to provide health care services to natural persons, including a chiropractor,  
 7 clinical dietitian, clinical psychologist, dentist, nurse, occupational  
 8 therapist, optometrist, pharmacist, physical therapist, physician,  
 9 podiatrist, psychiatric social worker or speech therapist.

10 ~~18-~~ 19. "Medical record information" means personal information which  
 11 relates to an individual's physical or mental condition, medical history or  
 12 medical treatment and is obtained from a medical professional or medical care  
 13 institution, the individual or the individual's spouse, parent or legal  
 14 guardian.

15 ~~19-~~ 20. "Personal information" means any individually identifiable  
 16 information gathered in connection with an insurance transaction and from  
 17 which judgments can be made about an individual's character, habits,  
 18 avocations, finances, occupation, general reputation, credit, health or any  
 19 other personal characteristics. Personal information includes an  
 20 individual's name and address and medical record information but does not  
 21 include privileged information.

22 21. "PERSONAL INSURANCE" MEANS PRIVATE PASSENGER AUTOMOBILE,  
 23 HOMEOWNERS, MOTORCYCLE, MOBILE HOME OWNERS AND NONCOMMERCIAL DWELLING FIRE  
 24 INSURANCE POLICIES THAT ARE INDIVIDUALLY UNDERWRITTEN FOR PERSONAL, FAMILY OR  
 25 HOUSEHOLD USE.

26 ~~20-~~ 22. "Policyholder" means any person who:

27 (a) In the case of individual property or casualty insurance, is a  
 28 present named insured.

29 (b) In the case of individual life, health or disability insurance, is  
 30 a present policyowner.

31 (c) In the case of group insurance which is individually underwritten,  
 32 is a present group certificate holder.

33 ~~21-~~ 23. "Pretext interview" means an interview in which a person, in  
 34 an attempt to obtain information about a natural person, performs one or more  
 35 of the following acts:

36 (a) Pretends to be someone ~~he or she~~ THE PERSON is not.

37 (b) Pretends to represent a person ~~he or she~~ THE PERSON is not in fact  
 38 representing.

39 (c) Misrepresents the true purpose of the interview.

40 (d) Refuses to ~~identify himself or herself upon~~ PROVIDE PROOF OF  
 41 IDENTITY ON request.

42 ~~22-~~ 24. "Privileged information" means any individually identifiable  
 43 information that relates to a claim for insurance benefits or a civil or  
 44 criminal proceeding involving an individual and is collected in connection  
 45 with or in reasonable anticipation of a claim for insurance benefits or a

1 civil or criminal proceeding involving an individual, except that information  
2 otherwise meeting the requirements of this paragraph is considered personal  
3 information under this chapter if it is disclosed in violation of section  
4 20-2113.

5 ~~23-~~ 25. "Residual market mechanism" means an agreement for the  
6 equitable apportionment among insurers of insurance afforded applicants who  
7 are in good faith entitled to but who are unable to procure insurance through  
8 ordinary methods.

9 ~~24-~~ 26. "Termination of insurance coverage" or "termination of an  
10 insurance policy" means either a cancellation or nonrenewal of an insurance  
11 policy, in whole or in part, for any reason other than the failure to pay a  
12 premium as required by the policy.

13 ~~25-~~ 27. "Unauthorized insurer" means an insurance institution that has  
14 not been granted a certificate of authority by the director to transact  
15 insurance in this state.

16 Sec. 2. Section 20-2110, Arizona Revised Statutes, is amended to read:

17 20-2110. Reasons for adverse underwriting decisions

18 A. In the event of an adverse underwriting decision the insurance  
19 institution or insurance producer responsible for the decision shall either  
20 provide the applicant, policyholder or individual proposed for coverage with  
21 the specific reason for the adverse underwriting decision in writing or  
22 advise the person, in writing, that upon written request the person may  
23 receive the specific reason in writing and provide the applicant,  
24 policyholder or individual proposed for coverage with a summary of the rights  
25 established under subsection B of this section and sections 20-2108 and  
26 20-2109.

27 B. Upon receipt of a written request within ninety business days from  
28 the date of the mailing of notice or other communication of an adverse  
29 underwriting decision to an applicant, policyholder or individual proposed  
30 for coverage, the insurance institution or insurance producer shall furnish  
31 to the person within twenty-one business days from the date of receipt of the  
32 written request:

33 1. The specific reason for the adverse underwriting decision, in  
34 writing, if the information was not initially furnished in writing pursuant  
35 to subsection A of this section.

36 2. The specific items of personal and privileged information that  
37 support those reasons except that:

38 (a) The insurance institution or insurance producer is not required to  
39 furnish specific items of privileged information if it has a reasonable  
40 suspicion, based upon specific information available for review by the  
41 director, that the applicant, policyholder or individual proposed for  
42 coverage has engaged in criminal activity, fraud, material misrepresentation  
43 or material nondisclosure.

44 (b) Specific items of medical record information supplied by a medical  
45 care institution or medical professional shall be disclosed either directly

1 to the individual about whom the information relates or to a medical  
2 professional designated by the individual and licensed to provide medical  
3 care with respect to the condition to which the information relates, at the  
4 option of the insurance institution or insurance producer.

5 3. The names and addresses of the institutional sources that supplied  
6 the specific items of information pursuant to paragraph 2 of this subsection,  
7 except that the identity of any medical professional or medical care  
8 institution shall be disclosed either directly to the individual or to the  
9 designated medical professional, whichever the insurance institution or  
10 insurance producer prefers.

11 C. The obligations imposed by this section upon an insurance  
12 institution or insurance producer may be satisfied by another insurance  
13 institution or insurance producer authorized to act on its behalf.

14 D. If an adverse underwriting decision results solely from an oral  
15 request or inquiry, the explanation of the specific reasons and summary of  
16 rights required by subsection A of this section may be given orally.

17 E. In providing the specific reason for an adverse underwriting  
18 decision based on credit related information contained or not contained in an  
19 individual's consumer report, the insurance institution or agent shall  
20 provide at least the following information:

21 1. That the decision was based in part on a consumer report or the  
22 absence of credit history.

23 2. The source of the consumer report and how the individual may obtain  
24 a copy of the consumer report.

25 3. A description of up to four factors that were the primary cause for  
26 the adverse action that resulted from the insurance score.

27 F. An insurer shall not use the following types of credit history to  
28 calculate an insurance score to determine ~~property or casualty premiums for~~  
29 insurance transactions that are subject to this article and shall not  
30 knowingly use an insurance score developed by a third party if the score is  
31 calculated using any of the following types of credit history:

32 1. The absence of credit history or the inability to determine the  
33 consumer's credit history unless the insurer's action is actuarially  
34 justified or the insurer treats the consumer as if the consumer had neutral  
35 credit information, as defined by the insurer.

36 2. Credit history or an insurance score based on collection accounts  
37 identified with a medical industry code.

38 3. A bankruptcy or a lien satisfaction that is more than seven years  
39 old.

40 4. The consumer's use of a particular type of credit card, charge card  
41 or debit card unless actuarially justified.

42 5. The consumer's total available line of credit, except that an  
43 insurer may consider the total amount of outstanding debt in relation to the  
44 total available line of credit.

6. An insurance score that is calculated using the income, gender, address, zip code, ethnic group, religion, marital status or nationality of the consumer as a factor. This ~~section~~ PARAGRAPH does not prohibit an insurer from using zip code, address, gender and marital status information for underwriting purposes.

Sec. 3. Title 20, chapter 11, article 1, Arizona Revised Statutes, is amended by adding sections 20-2123 through 20-2126, to read:

20-2123 Use of credit information

A. AN INSURANCE INSTITUTION THAT USES CREDIT INFORMATION TO UNDERWRITE OR RATE RISKS SHALL NOT:

1. DENY, CANCEL OR NONRENEW A POLICY OF PERSONAL INSURANCE SOLELY ON THE BASIS OF CREDIT INFORMATION WITHOUT CONSIDERATION OF ANY OTHER APPLICABLE UNDERWRITING FACTOR INDEPENDENT OF CREDIT INFORMATION AND NOT EXPRESSLY PROHIBITED BY SECTION 20-2110, SUBSECTION F.

2. BASE AN INDIVIDUAL'S RENEWAL RATE FOR PERSONAL INSURANCE SOLELY ON CREDIT INFORMATION WITHOUT CONSIDERATION OF ANY OTHER APPLICABLE FACTOR INDEPENDENT OF CREDIT INFORMATION.

3. TAKE AN ADVERSE ACTION AGAINST AN INDIVIDUAL BASED ON CREDIT INFORMATION UNLESS THE INSURANCE INSTITUTION OBTAINS AND USES A CONSUMER REPORT THAT IS ISSUED OR AN INSURANCE SCORE THAT IS CALCULATED WITHIN NINETY DAYS FROM THE DATE THE POLICY IS FIRST WRITTEN OR A RENEWAL IS ISSUED.

4. USE THE FOLLOWING AS A NEGATIVE FACTOR IN ANY INSURANCE SCORING METHODOLOGY OR IN REVIEWING CREDIT INFORMATION FOR THE PURPOSE OF UNDERWRITING OR RATING A POLICY OF PERSONAL INSURANCE:

(a) CREDIT INQUIRIES NOT INITIATED BY THE INDIVIDUAL OR INQUIRIES REQUESTED BY THE INDIVIDUAL FOR THE INDIVIDUAL'S OWN CREDIT INFORMATION.

(b) INQUIRES RELATING TO INSURANCE COVERAGE IF SO IDENTIFIED ON AN INDIVIDUAL'S CONSUMER REPORT.

(c) COLLECTION ACCOUNTS WITH A MEDICAL INDUSTRY CODE IF SO IDENTIFIED ON THE INDIVIDUAL'S CONSUMER REPORT.

(d) MULTIPLE LENDER INQUIRIES, IF CODED BY THE CONSUMER REPORTING AGENCY ON THE INDIVIDUAL'S CONSUMER REPORT AS BEING FROM THE HOME MORTGAGE INDUSTRY AND MADE WITHIN THIRTY DAYS OF ONE ANOTHER, UNLESS ONLY ONE INQUIRY IS CONSIDERED.

(e) MULTIPLE LENDER INQUIRIES, IF CODED BY THE CONSUMER REPORTING AGENCY ON THE INDIVIDUAL'S CONSUMER REPORT AS BEING FROM THE AUTOMOBILE LENDING INDUSTRY AND MADE WITHIN THIRTY DAYS OF ONE ANOTHER, UNLESS ONLY ONE INQUIRY IS CONSIDERED.

B. AN INSURANCE INSTITUTION THAT USES CREDIT INFORMATION TO UNDERWRITE OR RATE RISKS SHALL NOT USE CREDIT INFORMATION UNLESS NOT LATER THAN EVERY THIRTY-SIX MONTHS FOLLOWING THE LAST TIME THAT THE INSURANCE INSTITUTION OBTAINED CURRENT CREDIT INFORMATION FOR THE INDIVIDUAL, THE INSURANCE INSTITUTION RECALCULATES THE INSURANCE SCORE OR OBTAINS AN UPDATED CONSUMER REPORT. NOTWITHSTANDING THIS SUBSECTION:



1 1. AT ANNUAL RENEWAL, ON THE REQUEST OF AN INDIVIDUAL OR THE  
2 INDIVIDUAL'S INSURANCE PRODUCER, THE INSURANCE INSTITUTION SHALL REUNDERWRITE  
3 AND RERATE THE POLICY BASED ON A CURRENT CONSUMER REPORT OR INSURANCE  
4 SCORE. AN INSURANCE INSTITUTION IS NOT REQUIRED TO RECALCULATE THE INSURANCE  
5 SCORE OR OBTAIN THE UPDATED CONSUMER REPORT OF AN INDIVIDUAL MORE FREQUENTLY  
6 THAN ONCE IN A TWELVE MONTH PERIOD.

7 2. THE INSURANCE INSTITUTION MAY OBTAIN CURRENT CREDIT INFORMATION ON  
8 ANY RENEWAL BEFORE THE THIRTY-SIX MONTHS IF THIS PROCEDURE IS CONSISTENT WITH  
9 THE INSURANCE INSTITUTION'S UNDERWRITING GUIDELINES.

10 3. AN INSURANCE INSTITUTION IS NOT REQUIRED TO OBTAIN CURRENT CREDIT  
11 INFORMATION OF AN INDIVIDUAL NOTWITHSTANDING PARAGRAPH 1 OF THIS SUBSECTION  
12 IF ONE OF THE FOLLOWING APPLIES:

13 (a) THE INSURANCE INSTITUTION IS TREATING THE INDIVIDUAL AS OTHERWISE  
14 APPROVED BY THE DIRECTOR.

15 (b) THE INDIVIDUAL IS IN THE MOST FAVORABLY PRICED TIER OF THE  
16 INSURANCE INSTITUTION WITHIN A GROUP OF AFFILIATED INSURERS, EXCEPT THAT THE  
17 INSURANCE INSTITUTION MAY ORDER THE REPORT IF THIS PROCEDURE IS CONSISTENT  
18 WITH THE INSURANCE INSTITUTION'S UNDERWRITING GUIDELINES.

19 (c) CREDIT WAS NOT USED FOR UNDERWRITING OR RATING THE INDIVIDUAL WHEN  
20 THE POLICY WAS INITIALLY WRITTEN, EXCEPT THAT THE INSURANCE INSTITUTION MAY  
21 USE CREDIT FOR UNDERWRITING OR RATING THE INDIVIDUAL ON RENEWAL IF THIS  
22 PROCEDURE IS CONSISTENT WITH THE INSURANCE INSTITUTION'S UNDERWRITING  
23 GUIDELINES.

24 (d) THE INSURANCE INSTITUTION REEVALUATES THE INDIVIDUAL BEGINNING NO  
25 LATER THAN THIRTY-SIX MONTHS AFTER INCEPTION AND BASED ON OTHER UNDERWRITING  
26 OR RATING FACTORS, EXCLUDING CREDIT INFORMATION.

27 20-2124. Dispute resolution and error correction

28 IF IT IS DETERMINED THROUGH THE DISPUTE RESOLUTION PROCESS PRESCRIBED  
29 IN THE FEDERAL FAIR CREDIT REPORTING ACT (15 UNITED STATES CODE SECTION 1681  
30 i(a)(5)) THAT THE CREDIT INFORMATION OF A CURRENT INDIVIDUAL WAS INCORRECT OR  
31 INCOMPLETE AND IF THE INSURANCE INSTITUTION RECEIVES NOTICE OF THE  
32 DETERMINATION FROM EITHER THE CONSUMER REPORTING AGENCY OR FROM THE  
33 INDIVIDUAL, THE INSURANCE INSTITUTION SHALL REUNDERWRITE AND RERATE THE  
34 INDIVIDUAL WITHIN THIRTY DAYS OF RECEIVING THE NOTICE. AFTER REUNDERWRITING  
35 OR RERATING THE INDIVIDUAL, THE INSURANCE INSTITUTION SHALL MAKE ANY  
36 NECESSARY ADJUSTMENTS THAT ARE CONSISTENT WITH ITS UNDERWRITING AND RATING  
37 GUIDELINES. IF AN INSURANCE INSTITUTION DETERMINES THAT THE INDIVIDUAL HAS  
38 OVERPAID A PREMIUM, THE INSURANCE INSTITUTION SHALL REFUND TO THE INDIVIDUAL  
39 THE AMOUNT OF OVERPAYMENT THAT IS CALCULATED BACK TO THE SHORTER OF EITHER  
40 THE LAST TWELVE MONTHS OF COVERAGE OR THE ACTUAL POLICY PERIOD.

41 20-2125. Filing of insurance score methodology; trade secret

42 A. AN INSURANCE INSTITUTION THAT USES AN INSURANCE SCORE TO UNDERWRITE  
43 AND RATE RISKS SHALL FILE THE INSURANCE INSTITUTION'S SCORING MODEL OR OTHER  
44 SCORING PROCESSES WITH THE DEPARTMENT. AN INSURANCE SUPPORT ORGANIZATION MAY  
45 FILE SCORING MODELS ON BEHALF OF INSURANCE INSTITUTIONS. A FILING THAT

1 INCLUDES INSURANCE SCORING MAY INCLUDE LOSS EXPERIENCE JUSTIFYING THE USE OF  
2 CREDIT INFORMATION.

3 B. ANY FILING RELATING TO CREDIT INFORMATION IS CONSIDERED A TRADE  
4 SECRET UNDER APPLICABLE LAW.

5 20-2126. Indemnification

6 AN INSURANCE INSTITUTION SHALL INDEMNIFY, DEFEND AND HOLD INSURANCE  
7 PRODUCERS HARMLESS FROM AND AGAINST ALL LIABILITY, FEES AND COSTS THAT ARISE  
8 OUT OF OR RELATING TO THE ACTIONS, ERRORS OR OMISSIONS OF AN INSURANCE  
9 PRODUCER WHO OBTAINS OR USES CREDIT INFORMATION OR INSURANCE SCORES FOR AN  
10 INSURANCE INSTITUTION, IF THE INSURANCE PRODUCER FOLLOWS THE INSTRUCTIONS OF  
11 OR PROCEDURES ESTABLISHED BY THE INSURANCE INSTITUTION AND COMPLIES WITH ANY  
12 APPLICABLE LAW OR REGULATION. THIS SECTION DOES NOT PROVIDE AN INDIVIDUAL OR  
13 OTHER INSURED WITH A CAUSE OF ACTION THAT DOES NOT EXIST IN THE ABSENCE OF  
14 THIS SECTION.